(c) what is Government's reaction in regard to those rates?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (c) M/s. Krishak Bharati Cooperative Limited (KRIBHCO), Indian Farmers Fertilizer Cooperative Limited (IFFCO), Nagarjuna Fertilizers and Chemicals Limited (NFCL) and Chambal Fertilizers and Chemicals Limited (CFCL) have signed Term Sheets with Reliance Industries Limited (RIL) for purchase of gas. The price of gas quoted under the contract is subject to approval of the Government. An Empowered Group of Ministers (EGOM) has been set up to decide the issues of gas pricing and commercial utilization of
gas.

Subsidy on fertilizers

†2037. DR. MURLI MANOHAR JOSHI:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the amount of subsidy on the chemical fertilizers in the year 2007-2008 has been increased in comparison to that of last year;

(b) If so, the percentage of increase; and the amount of subsidy provided by Government so far;

(c) whether Government have identified the reasons of increasing the amount of subsidy this year; and

(d) if so, the reason therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) to (d) Yes Sir. The requirement of subsidy on chemical fertilizers in the year 2007-08 has increased in comparison to that of last year. The total expenditure of subsidy in 2006-07 was Rs. 25, 952 crore. In addition, there is a carry over liability of Rs. 8788.37 crore from 2006-07 to 2007-08. The total requirement of subsidy in 2007-08 is Rs. 47,979.45 crore, including the carryover liability of Rs. 8788.37 crore. The above increase in requirement of subsidy is due to increased consumption of fertilizers in the country and also due to the sharp increase in international prices of raw materials and finished fertilizers.

Shortage of fertilizers

2038. SHRIMATI PREMA CARIAPPA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are urging farmers to grow more food, especially pulses, in the upcoming kharif season, but major agrarian States like Punjab, Haryana, and Madhya Pradesh have pointed out that the fertilizer crisis is seriously affecting pulses and other crops;

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†Original notice of the question was received in Hindi.

(b) whether his Ministry has sent several representations to Finance Ministry to bail them out of the payment crisis; and

(c) if so, what are the steps Government proposed to take to meet the fertilizer crisis to avoid shortage of pulses and other crops in the country?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) Urea is the only fertilizer, movement and distribution of which at present is under partial control of the Government of India (GOI). Availability of urea at state level is ensured by the GOI and all other fertilizers *viz.* DAP & MOP etc. are decontrolled ones and availability of these fertilizers are decided by the market forces of demand and supply.

The availability of urea, DAP and MOP during current Kharif 2007 season upto 31st July, 2007 in Punjab, Haryana and Madhya Pradesh have been higher than the sales as under:

(LMT)

State	UREA		DAP		MOP	
	Availability	Sales	Availability	Sales	Availability	Sales
Punjab	9.81	9.11	1.61	1.30	0.29	0.19
Haryana	6.49	5.71	1.39	1.13	0.12	0.08
Madhya Pradesh	3.98	2.94	2.05	1.71	0.34	0.20

(b) and (c) The Department of Fertilisers is in constant touch with Ministry of Finance to ensure adequate availability of funds to make payment of subsidy. Presently, there is no shortage of funds for this purpose.

Shortage of gas

2039. SHRI AMAR SINGH: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether his Ministry had worked out the shortage of gas at present for fertilizer companies and if so, the details thereof;

(b) in what manner, Government would meet the shortage of gas; and

(c) how much gas would be available for consumption by fertilizer companies based on RIL's KG basin;

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) A total of 41.282 MMSCMD of gas requirement is projected for the year 2007-08 and the present availability is only 29.01 MMSCMD.

(b) The Government of India has initiated various steps to augment gas supplies for the domestic market *viz.* intensification of domestic Exploration and Pipeline (E&P) activities, exploitation of Coal Bed Methane (CBM) gas,